

Minutes of the Finance Committee

Wednesday, April 3, 2013

Vice Chair Meyer called the meeting to order at 8:30 a.m.

Present: Supervisors Pamela Meyer, Richard Morris, Dan Draeger, Bill Zaborowski, Larry Nelson, and Cathleen Slattery. **Absent:** Pat Haukohl.

Also Present: Chief of Staff Mark Mader, Treasurer Pam Reeves, Reporter Darryl Enriquez, Senior Financial Analysts Linda Hein and Clara Daniels, Business Services & Collections Manager Andy Thelke, Human Resources Manager Jim Richter, and Budget Manager Keith Swartz. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of 3-20-13

MOTION: Morris moved, second by Draeger to approve the minutes of March 20. Motion carried 6-0.

Next Meeting Date(s)

- April 17

Annual Report of the Treasurer's Office

Reeves reviewed her report which included information on total receipts and disbursements, investment account balances, 2011 roll collected in 2012, tax properties sold in 2013, agricultural land use conversions, parcel counts, and collected property taxes per municipality. The year-end balances in the investment pool and the high balance savings account were \$191,617.24 and \$20,204,657.14, respectively. The year-end reconciled cash balance in the Master Account was \$11,997,204.67.

MOTION: Zaborowski moved, second by Morris to accept the annual report of the Treasurer's Office. Motion carried 6-0.

Year-End Report on Proprietary Funds

Thelke and Hein were present to discuss the year-end report as outlined for each of the County's enterprise and internal service funds. Those funds that showed a net income at year-end were the Naga-Waukee Golf Course (\$256,223); Eble Park Ice Arena (\$30,043); Materials Recycling (\$1,236,974); Vehicle/Equipment Replacement (\$120,033); Communications (\$68,350); and Health Insurance (\$1,671,082). Those funds that showed a net loss were the Wanaki Golf Course (-\$133,316); Moor Downs Golf Course (-\$160,868); Naga-Waukee Ice Arena (-\$66,085); Airport (-\$15,419); Central Fleet (-\$75,418); Radio Services (-\$45,112); Records Management (-\$48,576); Risk Management/Workers Compensation (-\$349,371); Collections (-\$207,325); and End User Technology (-\$203,288).

MOTION: Nelson moved, second by Morris to accept the year-end report on Proprietary Funds. Motion carried 6-0.

Year-End Report on Collections

Thelke reviewed his report titled "Collections Division Delinquent Collection/Referral Analysis: 2012 Year-End Report." Total twelve-month collections decreased 2.2% from 2011 and increased 2.1% from 2010. Tax intercept collections totaled \$1,039,311 in 2012 versus \$1,216,526 in 2011. A total of 4,094 tax intercept payments were received on accounts in 2012 compared to 4,454 in 2011. Total collections in 2012 were \$2,874,254 compared to \$2,937,818 collected in 2011. The total amount retained by the County in 2012 was \$1,974,057 compared to \$2,065,305 in 2011.

Zaborowski asked about collection rates. Thelke said rates vary based on business class; rates are higher for courts fines and forfeitures yet less for bail forfeitures and human services. He added that 89.15% of the 2012 County revenue referrals are for bail forfeitures and Health & Human Services private pay billings. Given the nature of the parties they are attempting to collect from and the State's ability to pay provision, recovery in these areas is anticipated at less than 15% of the amount referred.

Thelke indicated State shared revenues were lower than budgeted. The County had collected for medical assistance/third party liability, however, this is now handled by the Moraine Lakes Consortium effective April, 2012. Municipal collections were up \$81,000, an area of continued strong growth. Regarding new referrals (State revenues), Thelke said while the dollar amount decreased slightly, the total number of accounts referred increased dramatically. This is due to automation in Health & Human Services. The referral process is picking up all accounts whereby when this was done manually only certain accounts were being selected. The number of new referrals from local municipalities continued to increase. The Collections Division serves 38 municipal entities. Collections staff met or exceeded established efficiency ratios.

MOTION: Draeger moved, second by Morris to accept the year-end report on collections. Motion carried 6-0.

Review Waukesha County Total Compensation Study

Richter discussed the following components of the compensation study: Project Timetable, Current County Benefits, Consultant Conclusions Regarding Benefits from Compensation Study, and Historical Total Benefit Cost for Waukesha County (2008-2012). Richter explained employee benefits and employee contributions in detail.

Overall, the consultant has determined that the County's total compensation (wages and benefits) are comparable to the public sector and lag behind the private sector. County health care costs are consistent with the public sector average and slightly higher than the private sector average. The County's health plan provides a comprehensive benefit to employees at a competitive cost. County retirement plan contributions are lower than the public sector average and slightly higher than the private sector. Defined benefit retirement plans are still present in the private sector but are becoming less common. The County contribution of 5.9% (2012) to the Wisconsin Retirement System is higher than the average private sector contribution to a defined contribution plan of 4.2%. The County has no costs associated with other post-employment benefits while other public sector employers have significant costs. The County's paid leave benefits (vacation, holidays, sick leave) are lower than the public sector and more consistent with the private sector. In some specific cases, the County benefits are lower than the private sector average.

Meyer said the study was impressive and shows the County is doing a good job. Richter agreed.

Year-End Report on Special Revenue Funds

Swartz reviewed his report (12-months preliminary and unaudited) for each of the County's Special Revenue Funds. Each fund showed a favorable budget variance at year-end which includes the Aging & Disability Resource Center (\$0); Federated Library – County Fund (\$0); Federated Library – State and Federal aids (\$101,500); Federated Library – CAFÉ Shared Automation Fund (\$97,000); Parks & Land Use – Community Development Fund (\$92,800); Parks & Land Use – Land Information Systems Fund (\$91,000); Parks & Land Use – Tarmann Fund (\$1,446,000); and Public Works – Transportation Fund (\$1,312,400).

MOTION: Morris moved, second by Zaborowski to accept the year-end report on Special Revenue Funds. Motion carried 6-0.

MOTION: Draeger moved, second by Slattery to adjourn at 10:55 a.m. Motion carried 6-0.

Respectfully submitted,

William J. Zaborowski
Secretary